EXCLUSION REQUEST NO. 5

a. Product Name: Wide High-Precision Cold-Rolled Steel
HTSUS Classification: 7225.50.8085

b. Technical Description:

Certain high-precision cold-rolled steel ("Wide High-Precision Cold-Rolled Steel") has the following technical specifications:

(1) Mechanical properties:	TS ≥50 KSI YP ≥ 32 KSI EL ≥ 33% 60 ≤ HRB ≤75
(2) Major chemical contents:	Carbon: 0.13 % or less Manganese : 0.60 % or less Phosphorous: 0.03 % or less Silicon: 0.04 % or less Sulfur: 0.03 % or less
(3) Thickness:	0.07" to 0.09", width tolerance of +/-0.0008"
(4) Width:	36" to 49"
(5) Roughness:	0.4 μ mRA or less (RA: average roughness)

c. Basis for Exclusion Request:

Wide High-Precision Cold-Rolled Steel is used in the United States solely in the production of precision ball bearing slides for premier quality drawer slides by Accuride International Inc. ("Accuride"), a world leader in the precision ball bearing drawer slide industry. High gauge accuracy and brightness are required by Accuride in order to acquire smooth slide movement. Wide High-Precision Cold-Rolled Steel should be excluded from the scope of any remedy because (a) no U.S. producer can meet Accuride's extremely high gauge accuracy requirements for high-precision cold-rolled steel; (b) no U.S. mill can meet Accuride's strict

roughness requirements; and (c) no U.S. mill can produce this product with the width required by Accuride.

(a) No U.S. Producer Can Meet Accuride's Extremely High Gauge Accuracy Requirements For Wide High-Precision Cold-Rolled Steel

NSC's production facilities contain the world's first paired cross roller system, which enables NSC to achieve the highly efficient crown control that is absolutely necessary to meet Accuride's extremely high gauge accuracy requirements for its precision drawer slides. The crown is the gauge profile across the width of the merchandise. While the crown control of ordinary mother hot-rolled steel is –30/+80 μ m, aimed at 40 μ m, the crown control for Wide High-Precision Cold-Rolled Steel is 20-/+20 μ m, aimed at 20 μ m. Other aspects of NSC's cold strip mill also contribute significantly to its capacity to ensure that the crown of the Wide High-Precision Cold-Rolled Steel is controlled quite strictly. Thus, NSC cold strip mill utilizes four stands of 6-high intermediate rolls with shifts both at the top and at the bottom. These rolls and the factory automation at both NSC's hot strip and its cold strip mills greatly contribute to NSC's capacity to meet Accuride's strict requirements for gauge profile across the length of the cold-rolled steel product at issue.

NSC understands that no U.S. mill possesses a paired crossed roller system. Accordingly, NSC believes that no U.S. producer can meet Accuride's extremely high gauge accuracy requirements.

(b) No U.S. Mill Can Meet Accuride's Strict Roughness Requirements

In order to meet Accuride's specifications, NSC's production process must also achieve a "bright" surface and must meet demanding roughness tolerances. These product characteristics are demanded because Accuride uses the Wide High-Precision Cold-Rolled Steel directly to

produce the finished products, that is, ball bearing drawer slides and associated products. Accordingly, the roughness of the cold-rolled merchandise produced by NSC for Accuride is strictly controlled by NSC's rolling equipment. Specifically, the rolling equipment at NSC's Tandem Cold-Rolling Mill ("TCM") and at NSC's Skin Pass Mill ("SPM") enables NSC to achieve a roughness level of 0.40 μ mRa or less. In contrast to this more demanding roll roughness standard for the Wide High-Precision Cold-Rolled Steel, the roughness of ordinary cold-rolled steel can be 3.0 μ mRa or more for both TCM-type and SPM-type mill roll roughness.

NSC understands that no U.S. mill possesses the equipment combinations featured at NSC's manufacturing facilities that would allow it to produce Wide High-Precision Cold-Rolled Steel for precision drawer slides

(c) No U.S. Producer Can Produce High-Precision Cold-Rolled Steel in the Required Coil Widths

Finally, NSC understands that no U.S. steel mill produces – or is capable of producing – the particular high-precision cold-rolled steel product at issue in the wide widths required by Accuride.

d. Names and Locations of Any Producers:

NSC is not aware of any other company that can produce high precision cold-rolled steel to the product specifications and width requirements required by Accuride.

e. Total U.S. Consumption:

Because NSC is the only producer of Wide High-Precision Cold-Rolled Steel, total U.S. consumption may be approximated by NSC's U.S. shipments. As reflected in the following table, the volume of NSC's U.S. exports **[ ]**:

	1996	1997	1998	1999	2000
Qty (ST)	[				]
Value US $	[				]

NSC's estimates of future U.S. consumption (based upon NSC's projected U.S. sales) are below. **[**

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	2001	2002	2003	2004	2005
Qty (ST)	[				]
Value US $	[				]

f. Total U.S. Production:

As noted, there is no U.S. production of Wide High-Precision Cold-Rolled Steel.

g. U.S.-Produced Substitute, Total U.S. Production of Substitute, and the Names of Any U.S. Producers of the Substitute:

NSC is not aware of any products that may be substituted for Wide High-Precision Cold-Rolled Steel in the production of Accuride's precision drawer slides.